

RESOURCES

The following sections describes federal, state, local and private funding and program resources, that the City of Cambridge anticipates utilizing with HUD appropriated funds slated for the upcoming fiscal year.

FEDERAL RESOURCES

American Dream Downpayment Initiative (ADDI) - \$111,504

Signed into law on December 16, 2003, The American Dream Downpayment Initiative (ADDI) was created to increase the homeownership rate among low-income and minority households, and to revitalize and stabilize communities. ADDI will provide financial assistance for closing costs, downpayment assistance, and housing rehabilitation, thereby reducing the most common barriers to homeownership. The program will provide low-income families with the opportunity to build assets and share in the American dream of homeownership. A total of \$111,504 in ADDI funds will be available to the City of Cambridge for FY 2005. The City will use its allocation in conjunction with its Financial Assistance Program to assist low-income households in Cambridge to become homebuyers.

AmeriCorps - \$223,200

(Massachusetts Service Alliance State, \$33,100 & Corp for National Service Federal, \$190,100)

Just A Start Corporation, a local non-profit, expects to receive an allocation of \$223,200 from state and federal Americorps funds for its YouthBuild Program in FY2005. This dynamic program provides workforce development to unemployed youths, ages 17-24 who dropped out of high school. During the program year, participants attend classes and spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low and moderate-income households. In addition to attending courses to attain their high school diploma, participants are also involved in community service and attend leadership trainings. Upon graduation from the JAS YouthBuild Program, they are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling services are provided for at least one year after graduation. The program will serve an anticipated 125 youths in FY2005.

Cambridge Health Alliance

The CHA administers Cambridge Health Care for the Homeless, a program operating in-shelter health care clinics for homeless individuals drawing on Federal Health Care for the Homeless grants.

CHA also conducts employee training and advancement for residents of Cambridge's Neighborhood Revitalization Strategy area.

The Cambridge Health Alliance is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

Cambridge-Somerville Healthy Homes

The existing program managed by the Cambridge Public Health Department, actively serves families of children with asthma or other respiratory difficulties. Receiving referrals primarily from pediatric medical providers, the referred clients are then provided with a thorough home inspection to look for asthma triggers, asthma education, medical case management, and items to reduce exposure to asthma triggers and follow-ups. The program will work closely with Lead Safe Cambridge and anticipates contracting with local non-profit housing rehabilitation specialists to remediate structural housing concerns. The Cambridge Public Health Department is submitting an application to HUD's Office of Healthy Homes and Lead Hazard Control.

Community Development Block Grant Program - \$3,817,000

The City of Cambridge is an entitlement City that annually receives a direct allocation of CDBG funds, which is used to support a variety of programs and activities, including economic development, design and construction oversight of parks, playground renovations, housing services, and housing development. A majority of the City's CDBG funds are used for housing development activities and services, such as acquisition, rehabilitation, and new construction of affordable housing units by non-profit housing development agencies in Cambridge. Sullivan and Trolley Square are two housing developments, slated for construction in FY2005. They are anticipated to create 100 new units. In addition to leveraging funds for housing development, CDBG funds supports a variety of housing services and activities, including case management, tenant and landlord mediation services, homelessness prevention and other services for the homeless. The City's appropriation of CDBG funds among its programs reflects its strong commitment to providing decent and affordable housing, good community services, and a healthy economic base. Cambridge expects to receive \$3,817,000 in CDBG funds for FY2005.

Conventional Public Housing Operating Subsidy- \$6,746,149

Federal operating subsidies are used by the Cambridge Housing Authority to make up the difference between the federally-determined allowable cost of managing and maintaining the family and elderly public housing stock and the amount of rent received. \$6,746,149 represents 100% pro-rata, but HUD has announced a reduction to between 70% and 90%.

Emergency Shelter Grant - HUD \$141,856

The Massachusetts Executive Office of Health and Human Services has transferred responsibility to entitlement cities for Emergency Shelter Grant funds that the Commonwealth receives. The cities will now be able to allocate these funds along with the ESG monies they receive directly from HUD, provided the community has a Continuum of Care in place for homelessness programs. In FY2005, the Cambridge Department of Human Service Programs will receive \$141,856 in ESG directly from HUD.

Fair Housing Initiatives - \$87,000

The local Human Rights Commission receives an annual allocation of Fair Housing Assistance Program (FHAP) funds from HUD in support of their fair housing investigation and enforcement activities. The FHAP grants are allocated to local Fair Housing Agencies, on an as-needed basis, for their education and outreach work through the formula grant proposal system used. The amount of FHAP grant awarded is based on the number of housing complaints resolved in that particular fiscal year. The Commission will continue its education and community outreach in FY2005.

Family/Youth Services Bureau

Federal funding for street outreach to youth and young adults. This grant pays for the street outreach and related services furnished by Boston-based Bridge Over Trouble Water, which maintains a daily health van and street outreach presence in Cambridge's Harvard Square and operates pre- transitional and transitional housing programs serving homeless young adults ready to leave the streets.

Federal Emergency Management Agency (FEMA) Funds

The Federal Emergency Management Administration makes grant funding available on an annual basis to food pantries and meal programs. FEMA also awards an annual grant to Catholic Charities, enabling the agency to issue payments to landlords to prevent eviction of low-income persons living in a larger region, which also includes Cambridge. Finally, FEMA also awards funding to the City of Cambridge Fuel Assistance Program, enabling the agency to issue payments to utility and oil companies to prevent or address shutoffs which would place a Cambridge or Somerville resident at risk of freezing.

Federal Mental Health and Substance Abuse Block Grant

These block grants are awarded to the State by the federal Department of Health and Human Services and fund a range of services including some of the treatment services utilized by homeless persons.

Federal PACE Grants

The Federal PACE grants provides funding for mental health outreach services for homeless persons. This grants, received by Tri-City Mental Health, a regional provider of mental health services, help fund shelter-based and street-based mental health services.

HOME Entitlement Grant - \$1,180,274

The City of Cambridge is a participating jurisdiction that receives HOME entitlement funds that assist in carrying out the City's housing strategies. These housing strategies include providing loans to support the acquisition, new construction, and rehabilitation of affordable rental and homeownership housing units for low and moderate-income households. Since 1993, over 615 HOME-assisted affordable rental and homeownership units have been created in Cambridge through funding from the City's entitlement HOME funds received from HUD. These funds have also leveraged other public and private funds to help make new projects feasible. Cambridge expects to receive \$1,180,274 in HOME funds for FY2005.

HOPE Programs (HOPE I, HOPE IV, HOPE VI)

The HOPE VI program was developed as a result of recommendations by the National Commission on Severely Distressed Public Housing, which was charged with proposing a National Action Plan to eradicate severely distressed public housing. The Commission recommended revitalization in three general areas: physical improvements, management improvements, and social and community services to address resident needs. The activities funded by HOPE VI Revitalization grants include the capital costs of major rehabilitation, new construction, and other physical improvements; demolition of severely distressed public housing; management improvements; planning and technical assistance; and community and supportive services programs for residents. In February 1999, under a one-time funding round for elderly developments, the Cambridge Housing

Authority was awarded a \$5 million HOPE VI revitalization grant, which was used to complete rehabilitation of its oldest federally assisted elderly development, John F. Kennedy Apartments in 2004. In addition, in FY 2001 the City of Cambridge allocated \$560,000 in HOME funds for the acquisition of 14 scattered site units for younger persons with disabilities as part of this HOPE VI project. The Hope VI project total development cost was \$22.5 million. The acquisition of these 14 units has led to the successful recapitalization of the CHA's Condo Acquisition Program, which anticipates acquiring all of its 15 units by the close of the FY2004 fiscal year. The City will support projects developed through this program in FY2005.

Housing Opportunities for Persons with AIDS (HOPWA) - \$659,000

This program allocates funds regionally to support services and programs for people with AIDS. Through a HUD initiative to re-deploy HOPWA funds for the state of Massachusetts the City of Cambridge has been selected to administer all HOPWA funds for Middlesex County. The City will continue to support 10 programs currently running in Middlesex County, and will establish goals and objectives consistent with its own and HUD's standards at the conclusion of the Fiscal 2005 program year. The City received an allocation of \$659,000 in HOPWA funds for FY2005.

Low-income Housing Tax Credits - \$8,824,000

The Low-income Housing Tax Credit Program (LIHTC) provides financial support for the acquisition and rehabilitation or development of eligible rental projects for low and moderate-income households. As the types of projects funded with Low-income Housing Tax Credits are consistent with Cambridge housing goals, the City intends to support housing developers in their applications for credits in the coming year. Homeowner's Rehab Inc., anticipates receiving tax credits for two projects in FY2005, \$5,400,000 for the Sullivan development which is expected to create 59 units, and \$3,424,000 for the Trolley Square development where 40 new units are anticipated.

McKinney-Vento Supported Housing Program (SHP)

The SHP program is a federally funded competitive grant program annually re-authorized by Congress and administered by HUD which contributes upwards of \$1 million per year to fund a range of homeless programs, including permanent supported housing for persons with disabilities, transitional housing, and supportive services, including housing search, drop-in services, street outreach, etc.

McKinney-Vento Shelter Plus Care (S+C)

The S+C program, also funded out of the Mc-Kinney Vento Process, provides housing subsidies for disabled persons who have transitioned out of homelessness, and whose tenancies depend upon the ongoing receipt of supportive services. Services offered to S+C tenants are not funded through the S+C grants, which only pay for the housing subsidies.

Moderate Rehabilitation Single Room Occupancy Program - \$1,284,993

Through the McKinney and Shelter Plus Care programs, Mod Rehab SROs provide housing subsidies to support the moderate rehab of existing single room occupancy (SROs) buildings. In the past, the Cambridge Housing Authority has used this program to support a variety of projects. The Cambridge Housing Authority continues to subsidize 188 units under this program in the City, in collaboration with a number of nonprofit organizations, and anticipates receiving \$1,284,993 through the McKinney and Shelter Plus Care programs in FY2005.

Non-Public Housing Development

Through the flexibility provided under the Moving To Work Deregulation Demonstration Program, the Cambridge Housing Authority (CHA) and its non-profit affiliate, Cambridge Affordable Housing Corporation (CAHC) will develop new non-public housing development for low-income households as opportunities arise. Through acquisition and planned rehabilitation, the CHA has also expanded the housing options for low-income seniors, and since completing its last project, Neville Place Assisted Living, has significantly increased the number of assisted living units in the City.

Public Housing Capital Grant - \$4,488,733

The program provides a predictable flow of funds to the Cambridge Housing Authority for capital and management improvements and for associated administrative costs. In FY2005, the CHA anticipates receiving \$4,488,733.

Public Housing Development

CHA will vigorously pursue any opportunities for funding for public housing development in FY2005, although none have been funded by Congress.

Safe Havens for Homeless Individuals

This program provides financial assistance to local governments to support the acquisition, rehabilitation, and operating costs of low-cost, semi-private lodging for

homeless persons with severe mental illness. Counseling to encourage residents' participation in treatment programs is a component of this program. The organization, On the Rise, operates a "Safe Haven Day Drop-In" for homeless women, as well as street outreach, but there is no resident component at this time.

Section 108 Loan Grantee Program Funds

Section 108 loan guarantees are used for activities that meet national CDBG objectives, which include (1) benefit low- and moderate-income families; (2) prevent or eliminate slums or blight; or (3) meet other urgent community development needs. Eligible activities include property acquisition; rehabilitation of publicly owned property; housing rehabilitation; economic development activities; acquisition, construction, reconstruction, etc. to preserve and create affordable housing for special populations.

Section 8 Certificates and Vouchers (Local Leased Housing Program) - \$21,701,757

The Section 8 Program was developed to offer low-income households a chance to obtain units in privately owned buildings. This establishes more diversity among income groups and provides an alternative to large-scale, isolated, low-income developments. The program, under the aegis of the Cambridge Housing Authority (CHA), is successful at placing residents in units, however the waiting lists are long. The success of the program in Cambridge has in large part depended on the regulatory flexibility granted to CHA as a result of its participation in the national MTW deregulation demonstration to respond to the City's escalating rental market. To facilitate its continued success, the CHA continues to use allowable rent levels that are at 110% of current area-wide Fair Market Rent (FMR) levels. The CHA is currently over 100% utilized and has closed the Section 8 waiting list, except for emergencies. The City would support any efforts to create a sub-market, where FMRs are determined using a more local standard, that is undertaken by the Housing Authority or HUD. A number of non-profits in the City are also working to preserve long-term affordability in a market in which rents are increasing rapidly. Section 8 certificates and vouchers are often a critical part of this process and the City supports changing regulations to allow the Housing Authority to create more project-based Section 8 units in collaboration with these non-profits.

Currently, CHA's participation in the Moving To Work Deregulation Demonstration allows the CHA to exceed HUD's regulatory caps on a number of policies, including FMR levels, the percentage of any given building that can be project-based, and the total percentage of income a program participant can contribute towards housing. In very limited circumstances, the CHA has exceeded the FMR upset cap and/or allowed residents to contribute a higher percentage of their income than regular program rules would allow. In aggressive pursuit of Project-Based units, the CHA has been very successful in ensuring longer-term affordability of units in the City, determining on a case-by-case basis the number of units in any given development that should or can be

project-based. At the end of the Demonstration, currently set at March 31, 2006, the CHA will need regulatory changes to continue this important work.

If funding for incremental vouchers/subsidies becomes available, the CHA will apply for additional monies. The CHA has 182 Section 8 Preservation Vouchers to protect the tenants in expiring-use buildings in the City, and does not expect any additional units.

Shelter Plus Care Program - \$83,057

The Shelter Plus Care Program provides subsidies for housing that provides service programs for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, AIDS, and other related diseases. The Cambridge Housing Authority (CHA) continues to subsidize 18 scattered site units in this program.

Supportive Housing for Persons with Disabilities (Section 811)

This program supports nonprofits in developing supportive housing with appropriate services for persons with disabilities. To the extent that appropriate sites are available, Cambridge will support applications under this program that are consistent with the Consolidated Plan.

Supportive Housing Program

This program provides grants to defray the cost of acquiring or rehabilitating buildings to house homeless persons. Operating subsidies and service funding are also eligible. The Department of Human Service Programs (DHSP) currently administers Supportive Housing Program subcontracts with 20 service providers, totaling approximately \$3.6 million annually. For FY 2005, DHSP will pursue funding through the HUD SuperNOFA for renewal of the Housing Resource Team, Housing Search and Post Placement Stabilization Program administered by HomeStart. They will also apply for funding for new programs to support stabilization for homeless families that have been placed into permanent housing; the 'Youth on Fire' clinical and case management services for homeless youth; and a homeless management information system that will be administered by UMASS. DHSP is in the process of assembling its application for HUD's SuperNOFA.

Program Income

Program income, defined as loan repayments, or net cash reserves produced by any project funded in whole or part by Community Development Block Grant (CDBG), Housing for Persons With Aids (HOPWA), Emergency Shelter Grant (ESG), or the HOME Investment

Partnership (HOME) will be expended on projects/programs before new funds are drawn down from the U.S. Treasury.

Workforce Investment Act - \$90,150

The Workforce Investment Act (WIA) is funded through the Department of Labor and is the primary funding source for Just A Start's (JAS) Summer Youth Program. Each year, the Summer Youth Program enrolls approximately 65 young teens, predominantly ages 14-16 in a Work Experience/Academic Enrichment Program for 6-7 weeks in July and August. They spend half their time on supervised crews, which provide repair, and beautification services on CDBG eligible properties and on Cambridge Housing Authority developments. The other half of their time is spent on academic enrichment activities to develop literacy and math skills, and on career development activities to help them develop work skills and career goals. Approximately 15 to 20 youths continue to be supported throughout the school year in the Career Connection after school and Summer Programs. JAS anticipates receiving \$60,000 for the YouthBuild Program and \$30,150 for the Career Connection and Summer Programs from WIA funds in FY 2005.

YouthBuild - \$465,555

YouthBuild is a HUD training program and funding source that enables youths who have dropped out of high school to pursue a GED, while gaining technical skills in the workforce. Administered by Just A Start Corporation (JAS), participants who ages range from 17-24, attend classes to earn a GED certificate, and also spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low and moderate-income households. Participants are also involved in community service and attend leadership trainings. Upon graduation from the JAS YouthBuild Program, participants are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling service is provided for at least one year after graduation. Approximately 125 youths are expected to participate in the JAS YouthBuild Program in FY2005.

STATE RESOURCES

Cambridge Housing Assistance Program

The City of Cambridge and the State of Massachusetts fund the Cambridge Housing Assistance Program (HAP). This program prevents homelessness through tenant and landlord counseling and mediation. It also provides housing search and stabilization services. The Department of Human Service Programs receives funds as a subcontractor of CAPIC in Chelsea who receives and regionally distributes the HUD funds.

Community Preservation Act: State & Locally Raised Funds

The Community Preservation Act is a new tool for communities to preserve open space, historic sites, and affordable housing. Signed into legislation by Governor Cellucci on September 14, 2000, the Community Preservation Act (CPA) is a local option that enables communities to establish a municipal Community Preservation Fund by local referendum. Monies collected for this fund are raised from a surcharge of up to 3% on local property taxes. Cambridge adopted the Act at the 3% surcharge level in fall 2001 and is now eligible for state matching funds. The City's Affordable Housing Trust seeks to be increased through the Community Preservation Act (CPA) to approximately \$7.2 million annually. This will enable the City to maintain its production and ability to raise funds from other sources including federal, additional state, local, and private sources. The City's Affordable Housing Trust will utilize its CPA funds to create and preserve affordable housing.

Housing Stabilization Funds

The Housing Stabilization Program, funded through the Department of Housing and Community Development (DHCD), has been used to support neighborhood restoration and affordable housing rehabilitation. The City will support non-profit applications for Housing Stabilization Funds as appropriate.

Massachusetts Affordable Housing Trust Fund (AHTF)

The Massachusetts Affordable Housing Trust Fund (AHTF) was created with the enactment of Section 227 of Chapter 159 of the Acts of 2000, now known as Chapter 121D of the Massachusetts General Laws (the Statute). The AHTF is designed to provide resources to create or preserve affordable housing throughout the state for households whose incomes are not more than 110% of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD). The AHTF was funded at \$20,000,000 per year for three-Years (State Fiscal Years 2001 – 2003) from the state's General Fund. In June 2003, the Legislature adopted language in Section 631 A of Chapter

26 of the Acts of 2003 to provide for the capitalization of the AHTF via bond authorizations. The budget language authorized bond issues totaling \$70,000,000 to capitalize the fund over a five-year period (fy2004-2008). In fy2005, the City of Cambridge will support applications to the state for AHTF submitted by local non-profits.

Soft Second Loan Program - \$1,500,000

The Soft Second Loan Program is a mortgage product that reduces a borrower's monthly mortgage costs. Cambridge will request a commitment from the Department of Housing and Community Development (DHCD) to fund interest rate subsidy and loan loss reserve components of this program. These funds will be used in conjunction with reduced rate first mortgage funds provided by area lenders for low-income buyers. The City anticipates that 10 low to moderate-income families will purchase units with Soft Second loans totaling approximately \$1,500,000.

State-Assisted Public Housing

The Commonwealth of Massachusetts assists 663 units of conventional public housing in Cambridge, with a total estimated operating subsidy of \$1,017,619. It also provides rental vouchers, including 28 Alternative Housing Vouchers for the disabled and 131 Massachusetts Rental Voucher Program certificates, the majority of which are project-based. The CHA has also received budget authority of approximately \$6 million from the Massachusetts Department of Housing and Community Development for six physical improvement projects at four developments, and one planning grant. This award will be used over several years.

State's Department of Public Health

The State's Department of Public Health provides Emergency Assistance payments for shelter services. As part of its role in administering the TANF (Temporary Assistance for Needy Families) program, the State's Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. The DTA also contracts with shelters on a per-person per-day basis to provide reimbursement for shelter services furnished to individuals.

State Emergency Assistance

State Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. DTA also provides reimbursement for shelter services furnished to individuals.

State HOME Allocations - \$755,000

The Massachusetts Department of Housing and Community Development (DHCD) allocates its HOME appropriation through competitive funding rounds. The City of Cambridge will support applications for State HOME funds submitted by Cambridge nonprofits in the coming year. In FY 2005, Just A Start, a local CHDO, anticipates receiving \$755,000 to assist in financing three projects: \$55,000 to develop 13 rental units on Scouting Way; \$300,000 to develop 6 homeownership units on Bolton Street; and \$400,000 to develop 8 homeownership units at Alewife Brook. State HOME funds will leverage federal, other state, city and private sources to make the projects feasible.

State Taxes

Tax revenues to fund substance abuse treatment services, including detoxification, halfway housing and outpatient services. The DPH also uses State resources to fund CASPAR Emergency Shelter Center.

Other State Programs

The Commonwealth of Massachusetts also funds programs that support the acquisition and development of affordable housing. The Housing Innovation Fund (HIF), Consolidated Improvement Preservation Fund (CIPF), and Facilities Consolidation Fund (FCF) administered by the Department of Housing Community Development are sometimes awarded to the City's non-profits to finance development projects. To the extent that funds are available under competitive state programs to support Cambridge projects, the City of Cambridge and local nonprofit developers will apply.

LOCAL RESOURCES

Affordable Rental and Homeownership Services

The City's Community Development Department (CDD) maintains a database of low and moderate-income households interested in affordable housing opportunities, and provides referrals regarding available housing units. In addition to marketing affordable units created through the City's First-time Homebuyers Program, CDD also assists nonprofit and for-profit developers with locating low-income buyers and renters for their affordable units. Free homebuyer classes and counseling are also offered to Cambridge residents.

Cambridge Affordable Housing Trust - \$8.4 million

Established in 1988, the Cambridge Affordable Housing Trust, provides financial support to programs in its CityHOME Initiative to increase and preserve the supply of affordable housing. The Trust provides financing to assist in the acquisition, development, and rehabilitation of rental and homeownership units; improve the quality of affordable housing by providing low-interest loans to owners; promote affordable unit set-a-sides from private owners under the Multifamily Rehab Program; and provide education and financial assistance to low and moderate-income homebuyers. Since 1995, the CityHOME Initiative has received over \$42.35 million in City funds. An additional \$ 8.4 million is anticipated for FY2005. The Cambridge Affordable Housing Trust acts as a gap funder, making the minimum contribution required to make projects financially feasible. It intends to continue its lending activities in the coming year, and will leverage other private, State, and Federal resources.

Cambridge Fund for Housing the Homeless

This fund, comprised of private donations, is administered through the Cambridge Department of Human Service. It is used to prevent homelessness by funding security deposits, first or last month's rent, realtor's fees, and other placement-related expenses.

Cambridge Historic Commission - \$80,000

The Cambridge Historical Commission is a municipal agency concerned with the history of Cambridge and the preservation of significant older structures in the city. To aid in the preservation and rehabilitation of these older buildings, the Commission administers various federal, state, and local programs. Grant funds may be used to restore exterior features that contribute to the original appearance of the building. Such work includes the repair or restoration of original ornamental trim, porches, columns, railings, windows, and chimneys. The grant may also be used to restore original siding such as clapboards or shingles. It may also be applied toward structural repairs that are essential to the integrity

of original features. Homeowner's Rehab Inc. anticipates receiving \$30,000 and CNAHS expects to receive \$50,000 in their rehabilitation and development efforts in fy2005.

Cambridge Housing Assistance Program

The City of Cambridge partially funds the Cambridge Housing Assistance Program, a program that prevents homelessness through tenant and landlord counseling and mediation, and housing search services.

Cambridge Multi-Service Center

The Department of Human Service Programs operates the Multi-Service Center, which provides services to prevent homelessness and to serving residents who have become homeless. The state-funded Housing Assistance Program at the Multi-Service Center receives referrals from the Massachusetts Department of Transitional Assistance of families at high risk of losing their housing for a variety of reasons. Staff provide case management, negotiate with landlords, refer tenants to City-funded legal services as appropriate, provide emergency funds for rental arrearages and other tenancy-threatening emergencies and counsel clients about their rights, responsibilities and options.

Cambridge Neighborhood Apartment Housing Services (CNAHS)

Established in 1983 as a Subsidiary of Homeowner's Rehab Inc., CNAHS is a private nonprofit corporation that gives landlords an interest free loan of \$15,000 maximum per studio or one-bedroom and \$20,000 maximum for units with 2 or more bedrooms. Funds are loaned to owners to rehabilitate their properties on the condition that the renovated apartments be maintained as affordable housing for at least 20 years. All former rent controlled properties are eligible for this program provided that at least 51% of the residents are of low-or moderate-income. Priority is given to properties with higher populations of lower-income residents and family-size units. Funds from CNAHS is used to make up the difference between conventional financing and project costs.

Expiring Use ~ Low-Income Housing Preservation Program

One of the Community Development Department's (CDD) housing strategies is to preserve units with expiring use restrictions. To this end, CDD provides technical assistance to owners and non-profit organizations; and works with tenants and other concerned parties to address the long-term concerns of housing developments at risk of losing their affordability. It also provides funds to a local non-profit, the Cambridge Economic Opportunity Committee (CEOC), who hires a Tenant Organizer to work directly with households living in buildings whose affordability restrictions are coming to term. In FY2005, the City will continue to work with tenants and owners of two expiring use properties, the Fogerty Building which has 17 units, and a development at 411

Franklin Street, which has 92 units. The City will continue to identify buildings at risk of being converted to market units, and work to preserve their long-term affordability.

Harvard Loan 20/20/2000 Initiative - \$1,000,000

In the fall of 1999, Harvard University announced the 20/20/2000 program. Through this initiative, Harvard provided \$10 million to the City for affordable housing development. Of these funds, \$6 million have been disbursed to the Affordable Housing Trust and \$4 million will be channeled through two non-profit groups to fund affordable housing projects in Cambridge. Currently, the Trust is using the funds to provide low-interest loans for construction and permanent financing for the development of affordable housing units. In FY2005, Just A Start Corporation, a local non-profit will receive construction financing from the Harvard 20/20/2000 program in the amounts of \$500,000 for 8 affordable homeownership units at Alewife Brook, and \$500,000 for 6 homeownership units on Bolton Street.

Incentive Zoning Program

The Incentive Zoning Ordinance requires that non-residential developers that require a Special Permit, which authorizes an increase in the permissible density or intensity of a particular use, mitigate the impact of their development through a contribution to the Affordable Housing Trust of \$3.28 per square foot. The City is currently seeking City Council's approval to increase the rate to \$7.83 per square foot after completing a recent study that re-evaluated the Incentive Zoning program. In FY 2004, Cambridge received \$918,468 in linkage payments. The Community Development Department anticipates that the City will receive housing contribution payments exceeding \$2,500,000 over the next 5-7 years. Production in the Incentive Zoning program is subject to private developer activity throughout the City.

Inclusionary Zoning Program

In March 1998, the Cambridge City Council passed an Inclusionary Zoning Ordinance that requires the developer of any new or converted residential development with ten (10) or more units to provide fifteen percent (15%) of the total number of units to the City as affordable units. The Community Development Department monitors compliance with this ordinance. Housing staff works with private developers to design and implement the marketing, and sale or leasing of units to low-income Cambridge residents. The City has secured 133 affordable units to date. Production in the Inclusionary Zoning program is subject to private developer activity throughout the City. In FY 2004, 18 homeownership units for 1 to 6 person households were marketed through this program. In FY 2005 the City anticipates securing 60 units through the Inclusionary Zoning program.

Leadsafe Cambridge Program - \$1,000,000

Since 1994, a series of four concurrent HUD grants (“Lead-Based Paint Hazard Control”) totaling \$10.2 million dollars have supported the work of the Lead-Safe Cambridge (LSC) program. In Spring 2004, LSC will submit a renewal application to HUD for a fifth round of funding and anticipate receiving \$2 million for the next 2 years (fy2005-fy2006). LSC strives to achieve two major policy goals: increasing access to affordable lead-safe housing for low income families, and preventing the lead poisoning of Cambridge children. To this end, as of March 2004, the program has deleaded over 560 units of affordable housing, and over 150 yards have been made lead safe through the intervention of the Safer Soil program. LSC has been the recipient of several prestigious awards an American Society of Landscape Architects (ASLA) Merit Award in 1999; the “2000 HUD Best Practices Award of Excellence” award; and in 2003, LSC was the proud recipient of the eighth “Innovations in Fair Housing Award” from the Cambridge Human Rights Commission. During the 2005 fiscal year, LSC will assist property owners in de-leading up to 60 housing units.

Property Tax Revenues

Local real estate taxes levied on residential and business help to cover the costs of all the programs in the Plan either through project delivery costs or actual "bricks and mortar" costs. It also provides matching funds for the City’s Community Preservation Act (CPA) award from the State.

PRIVATE RESOURCES

Families to Families Funds (FFF)

The FFF is a charitable fund, awarded by a small foundation to the City's Multi-Service Center for the Homeless, which uses the Fund to help pay family arrearages to prevent eviction or to help cover up-front moving costs to prevent/end individual or family homelessness.

Federal Home Loan Bank Programs

The Federal Home Loan Bank (FHLB) manages a number of programs that support the acquisition and development of affordable housing projects. Cambridge nonprofits have been successful at receiving these funds in the past, and if suitable projects are under development, will apply for additional FHLB funds in FY2005.

Harvard Emergency Loan Program

The Harvard Emergency Loan Program is a revolving loan that provides funds to rehabilitate distressed multifamily properties, and has provided funds for the rehabilitation and acquisition of units developed by local non-profits. As part of the pilot negotiations with the City, Harvard is considering extending and recapitalizing this program.

Non-Profit & Owner Equity - \$11,315,000

The City's non-profit affordable housing developers include Just A Start, Homeowner's Rehab, Inc., Cambridge Housing Authority, CNAHS, and CASCAP Reality Inc. They anticipate providing over \$11,315,000 in FY 2005 to help finance their development and rehabilitation projects making them feasible, amidst increasing development costs in Cambridge.

Private Foundation Grants - \$558,500

Cambridge's non-profits expects to receive funds in the amount of \$558,500 in FY 2005 from private foundations to assist projects and services they administer each year.

Private Lenders - \$13,976,000

Cambridge local private lenders, provide acquisition, rehabilitation, and construction loans to Cambridge affordable housing projects. Non-profits anticipate needing over \$13 million in private financing in FY2005.